

July 7, 2003

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Dear Mr. Lenz:

As requested in your January 29, 2003, letter addressed to Steve Renne, Acting Director, Missouri Department of Social Services, additional information is being provided regarding Missouri's 1915(c) Home and Community Based Waiver application. CMS has assigned this waiver application control number 0404. Revised pages that are so noted in this document are enclosed.

The state of Missouri requested an effective date of January 1, 2003 anticipating approval prior to this date. The state is now requesting an effective date of July 1, 2003.

The State had intended for \$20,000 to be targeting criteria. Individuals targeted for participation have a place to live and will receive substantial unpaid support from family members. Experience from operating waiver number 0178.90.R202 for 15 years, indicates that 80% of the expenditures in that waiver are for residential services which are not included in this proposal. The average cost to serve persons in waiver number 0178.90.R202, who were not receiving a residential service was approximately \$6,000 in Fiscal Year 2002. The application has been revised, removing the \$20,000 as targeting criteria. **(See revised page 2.)**

Describing the Target Group:

The eligibility criteria on page 2, item 4. (d), of the waiver application has been revised per the guidelines of CMS. Persons eligible for this waiver have a place to live in the community, typically with family members. The persons are at risk of entering an ICF/MR institution because they require services and supports in scope and/or intensity beyond what the primary caregivers are able to provide. **(See revised page 2.)**

Limiting the Funding for an Individual's Service Plan:

- 1) Missouri will refuse to offer home and community-based services to any applicant whose cost for services through the waiver will exceed the average cost of all Missouri ICFs/MR. The cost comparison will be made to the State's average annual per capita cost for persons served in all ICFs/MR. This is reflected in the cost neutrality formula for the waiver. This means the comparison will be "all levels of ICF/MR institutional care". **(See revised page 3.)**
- 2) Service limitations have been added on each service definition in Appendix B. **(See revised pages 12-24.)** In determining reasonable limitations for the services, the State reviewed cost data for persons served in Missouri's MRDD Comprehensive Waiver, control number 0178.90.R202, who do not receive residential services. This waiver serves a similar population but includes residential services and uses an aggregated cost cap rather than an individual cost cap. Waiver 0178.90.R202 serves about 7,800 persons, of which approximately 2,800 do not receive residential services. Limitations defined in Appendix B are based on the utilization of services by this sub-set of individuals served in waiver 0178.90.R202.

Case managers will be responsible for ensuring service limitations are not exceeded during the planning and authorization process. When the annual plan of care is developed and approved, the authorized services and cost are set-up in the Division of Mental Retardation and Developmental Disabilities' (MRDD's) automated system. The system can calculate the annual cost of a single authorization and a total of all services on the plan of care. If a case manager finds it necessary to increase or decrease services, the changes will also be made in the system. This system will be used to determine if a limitation has been met.

If the case manager determines a participant has increased needs, the case manager will propose a change to the plan. The changed plan will be subject to the RC utilization review committee. The committee may approve or deny the changes, or may recommend alternative solutions. If increased services are denied, the person will be advised in writing, and will be provided information on appeal rights.

If the proposed change to the plan will cause a service limitation to be exceeded but the service is deemed necessary to protect the person's health and safety and to prevent the person from entering an institution, an exception can be requested. Exceptions may be approved by the Division of MRDD Director, or a designee, for a one-time expense, or during a crisis or a transition period.

See Addendum to Appendix D-3, Functional Assessment and Plan of care (See revised pages 53-54). The following process for ensuring health and welfare are protected when limitations are met has been added:

Individuals participating in the waiver will not lose eligibility for the waiver due solely to an increased need for a covered service that causes the total need for that service or combination of services to exceed maximum amounts established by the state.

Some specific examples of action the planning team may take to assist the person in accessing additional services that are required for health and safety and to avoid institutionalization are:

- *Seek additional natural supports;*
- *Seek non-waiver State or County (local) funds;*
- *Request approval for an exception from the Division of MRDD Director or designee, to exceed a maximum limitation for a one-time expense, or during a crisis or transition period; and/or*
- *Provide the person information regarding other Missouri waivers such as the MRDD Comprehensive waiver and provide assistance with applying and transitioning as needed..*

If it is determined that the individual's health and welfare cannot be assured in the community by any or a combination of the above actions, the State may determine termination from the waiver is necessary, and may recommend institutional services.

When State plan services are appropriate to meet a need, those services shall be accessed. Waiver services will be accessed only if a State plan service is not available, inappropriate to meet a person's specialized needs, or to supplement a State plan service when limitations on that service have been met. **(See revised page 27.)**

- 3) Missouri waiver 0178.90.R202 serves a similar population. Environmental Accessibility Adaptations and Specialized Medical Equipment and Supplies are covered services in that waiver. The same limitation is applied and Missouri has been able to adequately meet the needs of individuals in this waiver. The average participant cost in this similar waiver, for Environmental Accessibility Adaptations is \$2,800 and \$300 for Specialized Medical Equipment and Supplies. If a participant reaches the maximum financial limit, the policy described in 4.(b) above and in the revised application, Addendum to Appendix D-3, Functional Assessment and Plan of care, will apply.

Services:

1. **CMS requested the State add language in the definition of In-Home Respite to exclude institutions.** – Institutions are not considered to be “in the community”, and institutions were not defined as eligible providers for In-Home Respite. However, the second paragraph has been changed to read as required by CMS: “The service is provided in the individual’s place of residence, at a qualified day program site, or elsewhere in the community *excluding institutions.*” (See revised page 13.)
2. **Home Modification, on page 25, Appendix B-2.** In the “Other Standards” column, for Home Modification/Environmental Accessibility Adaptations, the standard has been corrected to require providers have a DMH contract *and* meet applicable building codes. (See revised page 25.)
- 3a. **How did you arrive at the number of unduplicated users of services and the average units per client?** The 372 report for FY’01 was reviewed for waiver 0178.90.R202. This waiver serves a similar developmentally disabled population, and offers the same set of services with the exception that residential services are not included in the proposed waiver. A factor, based on the percent of participants in that waiver that used each service (except residential) and the units of service used, was calculated and applied proportionally to the total number of projected participants estimated in the proposed waiver application.
- 3b. **Why do you believe the amount of estimated services for this population is sufficient?**
Targeted participants will have a place to live in the community and will be receiving a substantial amount of support from family members in addition to the services that are provided through the waiver. Missouri has been administering waiver 0178.90.R202 for 15 years. Eighty percent of the expenditures in that waiver are for residential support services, which are not available in this waiver application. As stated in question #2, the average cost to serve persons in waiver number 0178.90.R202, who were not receiving a residential service was approximately \$6,000 in Fiscal Year 2002.
- 4a. **Explain the methodology used to determine D’, G, and G’.**
Missouri’s waiver 0178.90.R202 serves a similar developmentally disabled population. As state on pages 75, 76, and 77, data from this waiver was used to determine D’, G, and G’. Actual data for D’ (average cost of State plan services for persons served in the waiver), G (average cost of ICF/MR services), and G’ (average cost of State plan services for persons in ICFs/MR) was taken from 372 reports for Missouri’s waiver 0178.90.R202 for the years 1998 through 2001.

4b. What is meant by trended by the sum of least squares?

In an Excel Spreadsheet, the actual numbers from the 372 report for Factors D', G and G' were entered for State fiscal years ending 1998, 1999, 2000, and 2001. The formula in Excel for sum of least squares calculates from the actual amounts, trend factors, meaning how the numbers changed from 1998 to 2001, considering increases or decreases and percentages of change. The formula then predicts or estimates what Factors D', G and G' will be in future years, based on actual experience in past years.

Eligibility:

In order to expedite the approval of this application, we are not requesting to include optional targeted low-income children in this waiver application. (See revised page 39, item 8, Appendix C-1.)

Quality:

1. **Appendix E-2, p. 60, indicates the number or percentage of sample plans the State will review.** The State Medicaid Agency will review 25 plans annually. This page has been revised. (See revised page 60.)
2. **How does the State intend to obtain participant feedback and determine satisfaction? Will outcomes identified in the plan of care be measured?**
Participant Feedback and Satisfaction:

The Department of Mental Health, Division of MRDD, has several means of obtaining participant feedback and determining satisfaction:

- 1) The Department of Mental Health, conducts consumer satisfaction surveys annually. Written summary reports from the survey are given to each of the Division of MRDD's 11 Regional Centers, and to management staff with the Division of MRDD's central office. Corrective action is taken when possible. In a survey situation the actual responder is not known. But general feedback is provided to staff at the center. Also, the information is relied upon during the process of preparing budget requests and outcome measures for the following year.
- 2) Participant feedback on satisfaction of services is also received by case managers. When it is appropriate and cost effective, services are adjusted to better meet the need the consumer and family have expressed.
- 3) The Missouri Planning Council has 11 Regional Advisory Councils in the same regions as the Division of MRDD's regional centers. The councils are invited and encouraged to participate in meetings the Division of MRDD conducts concerning its service delivery system. Likewise, Regional Center management staff attends Regional Advisory Council meetings which are also attended by family members.

- 4) The Division of MRDD uses Parent Policy Partners at Regional Centers. A Parent Policy Partner is a parent of a child or adult son or daughter who has a disability. The Parent Policy Partner sometimes provides input to the Regional Center concerning the delivery of services, and sometimes advocates for consumers and families who are having difficulty with the service delivery system.
- 5) The Department of Mental Health has an Office of Consumer Affairs that serves all three of its divisions, including the Division of MRDD. A toll free telephone number is made available to consumers and families. Issues raised from these phone contacts are referred back to the Division of MRDD and Regional Center for timely response through the Office of Consumer Affairs to the consumer. The Office of Consumer Affairs also has the following information posted on its web-site: a) How to File a Complaint or Grievance Related to Services; b) Training for Consumers and Family Members; and c) Rights of Department of Mental Health Consumers.
- 6) During the legislative process, consumers and families have an opportunity to provide public testimony.

Outcomes Measured:

Case managers are required to maintain at least quarterly contact with each participant or the participant's family or guardian. Quarterly contact will be face to face or may be made by phone. Contact may be more frequent and the means of contact may always be in person, or may be primarily by phone, based on the particular requests of the family and what the case manager determines is necessary to ensure health and safety. Participants who receive day habilitation services are seen monthly, face-to-face.

During the quarterly contact, the case manager monitors and documents the progress made toward achieving the outcomes in the participant's person centered plan and determines if the services are providing the benefit that was intended. If not, the case manager is responsible for taking action to adjust the service. This may mean recommending a different provider, recommending a different service, or increasing or decreasing units of service. The case manager also determines if the outcomes set forth by the Missouri Quality Outcomes are a reality for the person. Plans must be reviewed (and updated if necessary) on at least a quarterly basis.

In addition to the quarterly monitoring contact, the Division of MRDD is developing a statewide system for the review of personal plans. This quality management function is designed to randomly audit a percentage of plans quarterly, using established criteria outlined in the Division of MRDD Person Centered Planning Guide, to determine if the plans of care are effective in meeting participants' needs, and if supports are delivered consistently with the values of the Missouri quality Outcomes. Once this system is in place, results will be shared with the State Medicaid Agency.

The State Medicaid Agency will review plans of care. Part of that review process will be to ensure that service needs identified in the plan are being met. The State Medicaid Agency staff may request monitoring notes or progress notes. If a deficiency is detected, the State Agency requests that the Division of MRDD demonstrate that corrective action is taken.

3. Are participants or family members involved in the process of assessing and improving quality?

Yes. The Division of MRDD has a standing Quality Management Advisory Team (QMAT) that assists with designing and evaluating the Division of MRDD's quality assurance and improvement system. It also advises the Division of MRDD on quality assurance policies and guidelines and advocates with the purpose of influencing the provision of services and supports. QMAT is a diverse team that includes self-advocates, family members, provider staff and division/department personnel. In addition to QMAT, the Division of MRDD includes consumer and family representation on ad hoc MATS to address specific quality improvement issues.

4. The incident management process needs to be described to include how incidents are reported and to whom. Is there a clear path back to the agency operating the waiver? Are these issues reviewed periodically, and are there changes made to the program as a result of the analysis, i.e., a feedback/ quality improvement system?

The Division of MRDD follows statewide procedures, established in statute and regulation, for reporting and investigating complaints of abuse, neglect and misuse of funds/property in residential, day programs or specialized services licensed, certified or funded by the Department of Mental Health. Reports of these incidents and other types of incidents are reported to the Division of MRDD local regional centers that administer the waiver. Division of MRDD Central Office staff as well as staff at the Department level, Office of Quality Management, monitor to ensure appropriate action is initiated and completed.

The Division of MRDD has a statewide process for receiving, reviewing and tracking consumer incident reports. The regional center is responsible for taking appropriate follow-up action with the provider of services to ensure the health, safety, rights, and quality of services to consumers. The incident management process includes a statewide automated database for incident tracking, resolution, action planning and trend analysis. The Division of MRDD and each regional center consider trend data to make changes at the local and state levels for quality improvement of the services delivery system. The automated system is being enhanced. When the enhancements are completed provisions will be made to transfer data to the State Medicaid Agency. (See revised page 29.)

5. Describe your statewide back-up system.

Case management is provided by the Division of MRDD's 11 Regional Centers. Each has a regular and toll-free phone number that is available to the general public, including persons in service and provider agencies. Each Regional Center has responsible, management or supervisory level staff on-call each evening and weekend. When phone calls are placed to a Regional Center after hours, the caller is given a pager number to call. The call is immediately returned. The person taking the call resolves the issue or contacts other staff at the regional center as may be necessary to resolve the issue. Each Regional Center also has a crisis team. Depending on the nature of an after hours contact, the Regional Center might send in staff from the crisis team to provide temporary services. A system to notify the State Medicaid Agency of events that impact participant health and safety is being developed. (See revised page 29.)

Self Determination

The State was asked if it intends for this waiver to be a “self-determination” waiver, and if so to answer several questions.

The State did not envision this request to be viewed as a self-determination waiver. This waiver application offers the “option” for consumers to self-direct only two waiver services. Self-determination and self-direction have distinct definitions. The option to self-direct is limited to two services and persons may have several other services included in the plan of care. Participants are not allowed to manage the budget for their entire plan which is our understanding of self-determination.

Missouri currently has two 1915(c) waivers for persons with mental retardation and developmental disabilities. Both approved waivers allow consumers or families to direct personal assistant or in-home respite services. The State has a process in place that was carefully designed. This process is working, therefore, the State is proposing to replicate the process to keep operations simplified and understandable for staff responsible for day-to-day operations.

With the understanding that use of the 1915(c) pre-print was still an option without any new requirements, the State chose to use the 1915(c) pre-print instead of the Independence Plus format for several reasons:

- 1) The Division of MRDD successfully operates two very similar waivers so the approval process through CMS would likely be expedited;
- 2) Consumer-direction is a very small part of the overall waiver application;
- 3) Persons do not have control of their total budget which self-determination is typically defined to require;

- 4) The Independence Plus application required the addition of a new service, support brokerage or case management, representing added cost to the State; and
- 5) Following the Independence Plus model would require changes in the Division of MRDD's current consumer-directed processes which in turn means incurring costs to make the changes.

The State of Missouri has diligently attempted to answer all questions raised by CMS that are relevant to this 1915(c) Home and Community Based Waiver application.

The assistance of CMS Region VII staff in working through this process has been very much appreciated.

Feel free to contact Gregory A. Vadner, Director, Division of Medical Services of my staff at 573-751-6922 if you have additional questions.

Sincerely,

Steve Roling
Director

SR/al

Enclosures

cc: Greg Vadner
Kay Green